



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF MENTAL RETARDATION SERVICES
ANDREW JACKSON BUILDING, 15TH FLOOR
500 DEADERICK STREET
NASHVILLE, TN 37243

MEMORANDUM

DATE: January 30, 2006

TO: Kathleen Clinton
John Craven
Cate Newbanks

FROM: Stephen H. Norris
Deputy Commissioner

SUBJECT: Medicare Part D

The Division of Mental Retardation Services is extending its state-funded Medicare Part D wrap-around coverage for the month of February 2006.

This DMRS-funded Medicare Part D wrap-around benefit will be:

1. Applicable for dates of service February 1, 2006, through February 28, 2006;
2. Available only for adults (age 21 years or older) who are Medicare-Medicaid dual eligibles with Medicare Part D and who are either:
 - a. Enrolled in a Home and Community Based Services (HCBS) Waiver for individuals with mental retardation (i.e., "Arlington" waiver #0357.90, "Statewide" waiver #0128.90.R2A, "Self-Determination" waiver #0427); or
 - b. Currently state-funded by the Division of Mental Retardation Services;
3. Used to provide reimbursement for prescription drug co-payments required for Medicare Part D formulary drugs dispensed during February 2006;
4. Used to provide reimbursement for up to a 1-month supply of a prescription drug dispensed during February 2006 for a medically necessary prescription drug that is not covered by any Medicare Part D drug plan, when such drug is obtained in accordance with the guidelines provided below:
 - a. The prescription drug must be obtained from a pharmacy in the provider network for the individual's Medicare Part D drug plan.
 - b. Over-the-counter (OTC) drugs are excluded.
 - c. A brand name drug is excluded if the generic form of the drug is available.

5. Used to provide reimbursement for up to a 1-month supply of a prescription drug dispensed during February 2006 for a medically necessary prescription drug that is not covered by the individual's specific Medicare Part D drug plan if:
 - a. The prescription drug is obtained from a pharmacy in the provider network for the individual's Medicare Part D drug plan;
 - b. The individual or the individual's physician has submitted an exception request for a coverage determination for the non-formulary drug to be covered; and
 - c. The coverage determination by the individual's Medicare Part D drug plan is to deny the request.

Note: Over-the-counter (OTC) drugs are excluded. A brand name drug is excluded if the generic form of the drug is available.

In order to obtain reimbursement for the co-payments or medically necessary drugs, the provider agency or individual will need to submit documentation to the Regional Director in the DMRS Regional Office regarding the amount paid to the pharmacy as well as information about the specific drug (drug name, drug strength, drug form, # of units dispensed, date dispensed; prescription number). The DMRS Regional Director will forward such documentation to Assistant Deputy Commissioner Fred Hix in the DMRS Central Office.

DMRS Regional Directors should notify provider agencies that the state-funded Medicare Part D wrap around coverage has been extended through the month of February 2006.

If you have any questions, please contact Louis Moore, M.D., Medical Director for Policy and Governmental Relations, at (615) 741-6632.

SHN:wlm

cc: Fred Hix
Larry Latham, Ph.D.
Joanna Damons, R.N.
Adadot Hayes, M.D.
Walton Louis Moore, M.D.